



U.S. Department of Justice
United States Attorney
Western District of New York

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PRESS RELEASE

April 28, 2005

RE: UNITED STATES v. RICHARD FITZGERALD

United States Attorney Michael A. Battle announced today the sentencing of Richard Fitzgerald, 46, of Machias, New York, who pled guilty to bank fraud on November 5, 2004, was sentenced to a 36 month term of imprisonment by United States District Chief Judge Richard J. Arcara.

Assistant U.S. Attorney Gretchen L. Wylegala, who handled the case, stated that the defendant had been convicted of bank fraud in connection with his role as a lending official at the Cattaraugus County Bank in Salamanca. Fitzgerald had engaged in a scheme to hide from the bank the fact that many loans in his portfolio were in default. Fitzgerald arranged to make replacement loans to the borrowers, and in some instances, took money from those new loans for his own purposes. His scheme allowed him to evade the safeguards the bank had in place to detect risky loans. The Court ordered him to pay restitution to the bank in the amount of \$1,977,538.43.

The conviction was the culmination of an investigation on the part of the Federal Bureau of Investigation, Jamestown Field Office, under the direction of Special Agent Peter Ahearn.

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